UNAUDITED CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS

FOR THE THREE AND NINE MONTHS ENDED

AUGUST 31, 2021

NOTICE OF NO AUDITOR REVIEW OF INTERIM FINANCIAL STATEMENTS

Under National Instrument 51-102, Part 4, subsection 4.3(3)(a), if an auditor has not performed a review of the interim financial statements, they must be accompanied by a notice indicating that the interim financial statements have not been reviewed by an auditor.

The accompanying unaudited consolidated condensed interim financial statements of the Company have been prepared by and are the responsibility of the Company's management.

The Company's independent auditor has not performed a review of these consolidated condensed interim financial statements in accordance with the standards established by the Chartered Professional Accountants of Canada for a review of the interim financial statements by an entity's auditor.

Howard Atkinson
Director and Chair of the Audit Committee

TIMIA CAPITAL CORP.
CONDENSED CONSOLIDATED INTERIM STATEMENTS OF FINANCIAL POSITION (UNAUDITED)
AS AT AUGUST 31, 2021 AND NOVEMBER 30, 2020

(Expressed in Canadian Dollars)

ASSETS		**August 31, 2021**		**November 30, 2020**
Cash	$	8,927,987	$	12,872,769
Accounts receivable		547,315		413,239
Current portion of loans receivable (Note 3)		9,577,244		894,540
Prepaid expenses and deposits		224,056		146,297
Total Current Assets		19,276,602		14,326,845
Non-current assets				
Loans receivable (Note 3)		25,072,563		26,352,757
Equity investments		1,247,903		965,100
Right-of-use asset		223,385		26,565
Forward contract receivable		267,000		252,500
TOTAL ASSETS	**$**	**46,087,453**	**$**	**41,923,767**
LIABILITIES				
Accounts payable and accrued liabilities (Note 11)	$	746,969	$	645,006
Current portion of debentures (Note 6)		14,676		54,903
Current portion of co-investment obligations (Note 7)		54,901		32,952
Lease liability		239,257		-
Revolving Credit Facilities		4,485,416		2,510,320
Total Current Liabilities		5,541,219		3,243,181
Non-current liabilities				
Debentures (Note 6)		1,195,545		4,079,497
Co-investment Obligation (Note 7)		202,532		246,398
TOTAL LIABILITIES		6,939,296		7,569,076
EQUITY				
Equity attributable to shareholders				
Share capital (Note 10)		5,898,413		5,807,175
Preferred shares (Note 10)		5,859,495		4,584,495
Share-based payments reserve (Note 10)		1,577,847		1,465,059
Equity component of convertible debentures		82,070		82,070
Accumulated other comprehensive loss		(61,207)		(37,974)
Accumulated deficit		(5,519,729)		(4,340,930)
Total TIMIA Capital shareholders' equity		7,836,889		7,559,895
Non-Controlling Interest		31,311,268		26,794,796
Total equity		39,148,157		34,354,691
TOTAL LIABILITIES AND EQUITY	**$**	**46,087,453**	**$**	**41,923,767**

Nature of operations (Note 1)

Subsequent events (Note 15)

Approved on behalf of the Board of Directors:

/s/ "Howard Atkinson" — Howard Atkinson, Director

/s/ "David Demers" — David Demers, Director

See accompanying notes to condensed consolidated interim financial statements.

TIMIA CAPITAL CORP.
CONDENSED CONSOLIDATED INTERIM STATEMENTS OF NET INCOME (LOSS) AND COMPREHENSIVE INCOME (LOSS) (UNAUDITED)
FOR THE THREE AND NINE MONTHS ENDED AUGUST 31, 2021 AND 2020

(Expressed in Canadian Dollars)

	Three months ended August 31, 2021	Three months ended August 31, 2020	Nine months ended August 31, 2021	Nine months ended August 31, 2020
REVENUE				
Interest income	$ 1,246,042	$ 1,254,651	$ 3,598,730	$ 3,064,145
Income from transaction and other fees	161,637	123,513	403,740	229,393
Income from settlement of loans	0	521,616	513,698	1,037,625
TOTAL REVENUE	1,407,679	1,899,780	4,516,168	4,331,163
EXPENSES				
Accounting and legal	49,760	103,081	155,253	280,840
Administrative, management and directors fees (Note 11)	316,974	230,490	1,047,410	827,017
Expected credit loss	32,723	(102,910)	(3,713)	(64,805)
IR, communications and regulatory fees	143,752	49,052	321,729	195,039
Interest expense	192,219	472,664	615,021	1,163,953
Marketing services and promotion	151,484	109,061	332,906	243,915
Office, travel, systems, and miscellaneous	132,088	90,932	409,083	305,547
Share-based payments	21,630	42,823	112,788	140,135
TOTAL EXPENSES	1,040,630	995,193	2,990,477	3,091,641
OPERATING INCOME	367,049	904,587	1,525,691	1,239,522
Foreign exchange (gains) losses	(274,237)	747,259	336,478	226,439
Income tax expense	-	-	-	-
Loss on settlement of debentures	-	-	44,584	-
Loss (gain) on forward contract	208,750	(186,250)	(14,500)	(233,250)
Fund Structuring and Financing Costs	-	10,335	-	(9,665)
Acquisition Costs	125,375	-	125,375	-
NET INCOME	$ 307,161	$ 333,243	$ 1,033,754	$ 1,255,998
OTHER COMPREHENSIVE LOSS				
Foreign currency translation adjustment	911,749	(406,827)	(567,169)	(406,827)
NET INCOME (LOSS) AND COMPREHENSIVE INCOME (LOSS)	1,218,910	(73,584)	466,585	849,171
Net Income Attributable to:				
Shareholders of the Corporation	(249,774)	(23,580)	(820,776)	(430,391)
Non-controlling interest	556,935	356,823	1,854,530	1,686,389
	307,161	333,243	1,033,754	1,255,998
Comprehensive Income (loss) attributable to:				
Shareholders of the Corporation	(181,788)	(53,618)	(844,011)	(460,429)
Non-controlling interest	1,400,698	(19,966)	1,310,596	1,309,600
	$ 1,218,910	$ (73,584)	$ 466,585	$ 849,171
NET LOSS PER COMMON SHARE BASIC AND DILUTED	$ (0.01)	$ 0.00	$ (0.02)	$ 0.01
WEIGHTED AVERAGE NUMBER OF COMMON SHARES OUTSTANDING	46,371,651	41,434,796	46,223,534	40,703,008

See accompanying notes to condensed consolidated interim financial statements.

TIMIA Capital Corp.
CONSOLIDATED CONDENSED INTERIM STATEMENTS OF CASH FLOWS (UNAUDITED)
FOR THE NINE MONTHS ENDED AUGUST 31, 2021 AND 2020
(Expressed in Canadian Dollars)

	2021	2020
OPERATING ACTIVITIES		
Net income for the period	$ 1,033,756	$ 1,255,998
Adjustments for:		
Share-based payments	112,788	140,135
Amortization	26,281	42,505
Interest expense (income)	-	76,739
Interest accrued and interest accretion	18,237	217,469
Expected credit (recovery) loss	(3,713)	(64,805)
Loss on extinguishment of debentures	44,584	-
Realized (gain) on investments	(513,698)	(1,037,625)
Unrealized gain on forward contract	(14,500)	(233,250)
Unrealized foreign exchange loss (gain)	336,469	351,970
Repayment of loans receivable	7,483,970	4,937,453
Advances of loans receivable	(14,961,230)	(9,907,814)
	(6,437,056)	(4,221,225)
Changes in non-cash working capital items:		
Accounts receivable	(133,980)	(107,566)
Deposits and prepaid expenses	-	(190,143)
Share capital subscriptions received in advance	(77,759)	(250,000)
Accounts payable and accrued liabilities	174,463	(43,717)
CASH USED IN OPERATING ACTIVITIES	(6,474,332)	(4,812,651)
FINANCING ACTIVITIES		
Proceeds on issuance (redemption) of debentures, net	(2,460,917)	(150,000)
Proceeds on issuance of preferred shares	727,000	-
Proceeds on issuance of Limited Partnership units	7,375,973	11,600,426
Distributions paid through the Limited Partnerships	(4,170,096)	(2,689,935)
Dividends paid	(229,672)	-
Proceeds on exercise of options	-	111,900
Proceeds on exercise of warrants	225,000	-
Payments to co-investors	(20,427)	(1,110,900)
Payments on lease, net	(35,918)	(38,698)
Proceeds from revolving credit facility	1,975,000	2,539,675
Repayment of revolving credit facility	-	(1,500,000)
Purchase of common shares under NCIB for cancellation	(262,113)	-
CASH PROVIDED BY FINANCING ACTIVITIES	3,123,830	8,762,468
CHANGE IN CASH DURING THE PERIOD	(3,350,502)	3,949,817
EFFECT OF FOREIGN EXCHANGE ON CASH	(594,280)	(406,827)
CASH, BEGINNING OF PERIOD	12,872,769	4,662,156
CASH, END OF PERIOD	$ 8,927,987	$ 8,205,146

The Company has not paid any income taxes and all interest paid has been disclosed above.

See accompanying notes to condensed consolidated interim financial statements.

TIMIA CAPITAL CORP.
CONDENSED CONSOLIDATED INTERIM STATEMENTS OF CHANGES IN SHAREHOLDERS' EQUITY (UNAUDITED)
FOR THE NINE MONTHS ENDED AUGUST 31, 2021 AND 2020
(Expressed in Canadian Dollars)

	Common Shares		Preferred Shares		Share-based Payment Reserve	Equity Component of Convertible Debentures	Deficit	AOCI	NCI	Equity
	Number of Shares	Amount	Number of Shares	Amount						
As at December 1, 2019	39,774,796	4,977,427	-	-	1,383,282	82,070	(3,754,586)	-	11,609,956	14,298,149
TIMIA LP I subscriptions	-	-	-	-	-	-	-		1,719,834	1,719,834
Options exercised	1,660,000	219,748	-	-	(107,848)	-	-			111,900
Share-based payments	-	-	-	-	97,312	-	-			97,312
Net income (loss) and comprehensive income (loss) for the year	-	-	-	-	-	-	(406,811)		1,329,566	922,755
As at May 31, 2020	41,434,796	5,197,175	-	-	1,372,746	82,070	(4,161,397)	-	14,659,356	17,149,950
As at December 1, 2020	45,776,225	5,807,175	5,210,994	4,584,495	1,465,059	82,070	(4,340,930)	(37,974)	26,794,796	34,354,691
Preferred shares issued	-	-	1,275,000	1,275,000	-	-	-	-	-	1,275,000
TIMIA LP II subscriptions	-	-	-	-	-	-	-	-	7,375,973	7,375,973
Capital distributions	-	-	-	-	-	-	-	-	(4,170,097)	(4,170,097)
Dividends Paid	-	-	-	-	-	-	(229,672)	-	-	(229,672)
Share-based payments	-	-	-	-	112,788	-	-	-	-	112,788
Options exercised	-	-	-	-	-	-	-	-	-	-
Warrants exercised	1,125,000	225,000	-	-	-	-	-	-	-	225,000
Shares repurchased and cancelled	(1,046,003)	(133,762)	-	-	-	-	(128,351)	-	-	(262,113)
Other comprehensive income			-	-	-	-	-	(23,233)	(543,934)	(567,167)
Net income (loss)	-	-	-	-	-	-	(820,776)	-	1,854,530	1,033,754
As at August 31, 2021	45,855,222	5,898,413	6,485,994	5,859,495	1,577,847	82,070	(5,519,729)	(61,207)	31,311,268	39,148,157

See accompanying notes to condensed consolidated interim financial statements.

1. NATURE OF OPERATIONS

TIMIA Capital Corp. ("TIMIA" or the "Company") is incorporated under the Business Corporations Act of British Columbia. The Company is listed on the TSX Venture Exchange (the "TSX-V") trading under the symbol "TCA" as well as the OTCQB Venture Market ("OTCQB") under the symbol of TIMIA. TIMIA Capital Corporation has developed a proprietary loan origination platform that services private market, high-yield loan opportunities, thereby earning recurring fees and a share of the profit. While focusing on the fast growing, global, business-to-business recurring revenue segment, TIMIA's automated loan origination system is applicable to multiple technology sectors, it creates scalable and profitable growth for TIMIA's stakeholders. Other sources of revenue include income from the settlement of loans as well as transaction fees from due diligence and similar services. The Company's head office and principal place of business is 835-1100 Melville St, Vancouver, British Columbia, Canada.

These condensed consolidated interim financial statements were authorized for issuance by the Board of Directors on October 15, 2021.

2. BASIS OF PRESENTATION AND ACCOUNTING POLICIES

TIMIA prepares its unaudited interim condensed consolidated financial statements ("financial statements") in accordance with International Financial Reporting Standards ("IFRS") as issued by the International Accounting Standards Board ("IASB"). The preparation of consolidated financial statements in accordance with IFRS requires the use of certain critical accounting estimates. It also requires that management exercise judgment in applying TIMIA's accounting policies. These unaudited interim condensed consolidated financial statements are presented in accordance with International Accounting Standard ("IAS") 34, Interim Financial Reporting. The disclosures contained in these unaudited interim condensed consolidated financial statements do not contain all requirements of IFRS for annual consolidated financial statements and should be read in conjunction with the audited consolidated financial statements for the year ended November 30, 2020. These unaudited interim condensed consolidated financial statements follow the same accounting policies and methods of application as the audited financial statements for the year ended November 30, 2020, with the exception of any of the accounting standards adopted in the current year.

Basis of presentation

The consolidated condensed interim financial statements have been prepared using the historical cost basis except for certain financial instruments, which are measured at fair value. All amounts are expressed in Canadian dollars unless otherwise stated. Certain comparative figures in these consolidated financial statements have been reclassified in order to conform with current year presentation.

Basis of consolidation

The Company uses the criteria outlined in IFRS 10 in order to determine whether it has control of its Limited Partnerships. In applying the criteria outlined in IFRS 10, judgment is required in determining whether TIMIA controls TIMIA Capital I Limited Partnership ("LP I") and TIMIA Capital II Limited Partnership ("LP II"), together the "LP's". Making this judgment involves taking into consideration the concepts of power over LP I and LP II, exposure and rights to variable returns, and the ability to use power to direct the relevant activities of the LP's as they generate economic returns. Using these criteria, management has determined that TIMIA does control the LP's and as a result consolidates the accounts of LP I

(Expressed in Canadian Dollars)

2. BASIS OF PRESENTATION AND ACCOUNTING POLICIES (continued)
Basis of consolidation (continued)

and LP II.Subsidiaries are those entities which the Company controls by having the power to govern the financial and operating policies of such entities so as to obtain economic benefits from their activities. The existence and effect of potential voting rights that are currently exercisable or convertible are considered when assessing whether the Company controls another entity.

These consolidated financial statements include the accounts of the Company and the following subsidiaries:

Entity	Country	Percentage Ownership of Parent (based on units as at August 31, 2021)
TIMIA Capital Corp.	Canada	-
TIMIA Capital General Partner Inc.	Canada	100%
TIMIA Capital I Limited Partnership	Canada	12.39%(1)
TIMIA Capital II Limited Partnership	Canada	5.02%(2)
TIMIA Capital II General Partner Inc.	Canada	100%
TIMIA Capital Holdings Limited Partnership	Canada	100%

Notes:
(1) TIMIA Capital Corp. holds a 12.39% interest in TIMIA Capital I Limited Partnership which was formed on March 6, 2019.
(2) TIMIA Capital Corp. holds a 5.02% of TIMIA Capital II Limited Partnership which was formed on April 30, 2020.

All significant inter-company balances and transactions have been eliminated on consolidation.

Significant accounting judgements and estimates

The preparation of the consolidated financial statements in conformity with IFRS requires management to make judgments, estimates and assumptions that affect the reported amounts of assets, liabilities and contingent liabilities at the date of the consolidated financial statements and reported amounts of revenues and expenses during the reporting period.

Estimates and assumptions are continuously evaluated and are based on management’s experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances. However, actual outcomes can differ from these estimates. Loans receivable are reviewed on a quarterly basis as to their collectability and an appropriate impairment charge is provided where considered necessary. The Company estimates an expected credit loss on a quarterly basis by reviewing the underlying loan portfolio. The allowance represents the Company’s estimate of the expected credit losses inherent in the loan portfolio, net of the future income stream belonging to the holders of the co-investment agreements.

2. BASIS OF PRESENTATION AND ACCOUNTING POLICIES (continued)

Significant accounting judgements and estimates (continued)

In addition, the Company also completes a loan specific analysis to assess whether there are indications of impairment. The Company reviews a variety of factors such as maintenance of loan repayments in accordance with the contractual obligations, general economic conditions, the underlying stability of the Company to which the loan was granted and has periodic discussions with the management of each company. The Company then makes an assessment using this information on whether or not the loan is impaired.

Changes in these estimates and assessments may have a material impact on these interim condensed consolidated financial statements. The information about other significant areas of estimation uncertainty considered by management in preparing the consolidated financial statements is:

- Fair value of equity investments not quoted in an active market;
- Variables used in estimating values of loans receivable;
- Variables used in determining expected credit losses;
- Recognition of deferred tax assets; and
- Calculation of share-based payments expense.

The information about significant areas of judgement considered by management in preparing the consolidated financial statements are:

- Determination of control of entities, giving rise to the consolidation thereof;
- The classification of financial instruments;
- Indicators of impairment of financial instruments; and
- The valuation of financial assets and liabilities recorded on the statement of financial position which is derived from a variety of valuation techniques.

(Expressed in Canadian Dollars)

3. LOANS RECEIVABLE

The Company makes loans to software companies who have a recurring revenue business model in Canada and the United States of America. All loans receivable are between two and six years in terms and all of the loans receivable in the Company's portfolio are secured by General Security Agreements.

		August 31, 2021		November 30, 2020
Opening balance	$	27,614,080	$	21,596,037
Advances on loans receivable		14,961,230		16,756,814
Interest revenue		3,598,730		3,871,649
Interest and principal payments		(3,846,643)		(4,020,700)
Settlement of investments		(6,980,471)		(10,167,044)
Foreign exchange		(335,938)		(422,676)
Closing balance		35,010,988		27,614,080
Less: current portion		(9,577,244)		(894,540)
Non-current portion	$	25,433,744	$	26,719,540
ECL (loan loss) provision, opening balance	$	(366,783)	$	(448,525)
Add: ECL provision for outstanding loans (1)		3,713		81,742
Add: Fx translation adjustment		1,889		-
ECL (loan loss) provision, closing balance	$	(361,181)	$	(366,783)
Loans receivable, non-current portion	$	25,433,744	$	26,719,540
ECL (loan loss) provision, closing balance		(361,181)		(366,783)
Loans receivable, net of ECL, non-current portion	**$**	**25,072,563**	**$**	**26,352,757**

(1) The expected credit loss represents the net amount required to adjust to the ECL as calculated under IFRS 9.

(Expressed in Canadian Dollars)

3. LOANS RECEIVABLE (continued)

Details of the expected credit loss model can be found in Note 13 under the heading *Expected Credit Loss Measurement*.

The expected credit loss provision for the period from December 1, 2020 to August 31, 2021 is calculated as follows:

	Stage 1	Stage 2	Stage 3	Total
Opening amortized loan balance	$ 26,831,100	$ 782,980	$ -	$ 27,614,080
Advances on loans receivable	14,961,230	-	-	14,961,230
Interest revenue, net of interest and principal payments	(180,227)	(67,686)	-	(247,913)
Foreign exchange	(314,519)	(21,419)	-	(335,938)
Loans receivable moved to stage 1	-	-	-	-
Loans receivable moved to stage 2	(707,394)	707,394	-	-
Loans receivable moved to stage 3	-	-	-	-
Provisions for expected default	-	-	-	-
Settlement of investments	(6,980,471)	-	-	(6,980,471)
Less: current portion	(9,471,059)	(106,185)	-	(9,577,244)
Closing balance, non-current portion	$ 24,138,660	$ 1,295,084	$ -	$ 25,433,744
Expected Credit Loss, opening balance	$ (225,846)	$ (140,937)	$ -	$ (366,783)
Add: ECL for outstanding loans	44,443	(40,730)	-	3,713
Foreign exchange translation adjustment	1,889	-		1,889
Expected Credit Loss, closing balance	$ (179,514)	$ (181,667)	$ -	$ (361,181)
Loans receivable, non-current portion	$ 24,138,660	$ 1,295,084	$ -	$ 25,433,744
ECL provision, closing balance	(179,514)	(181,667)	-	(361,181)
Loans receivable, net of ECL, non-current portion	**$ 23,959,146**	**$ 1,113,417**	**$ -**	**$ 25,072,563**

3. LOANS RECEIVABLE (continued)

Loans receivable by type

The Company provides two main types of loan facilities.

- An **Interest Only Loan** is designed for borrowers that anticipate achieving a financing milestone in the relatively near future. Typically, two to three years in length, these facilities require the borrower to pay approximately two thirds of the interest monthly. The remainder of the interest is accrued over the term of the loan and is due and payable at the end of the term.

- An **Amortized Loan** is a type of growth capital provided by TIMIA to a company in which the timing of loan payments are tied to the forecast revenue of the company. Any unamortized amounts are due and payable at the end of the term.

The following table presents a breakdown of the loan portfolio by type of loan.

	At August 30, 2021		**At November 30, 2020**	
	Number of Loans	Carrying Value	Number of Loans	Carrying Value
Springboard Loans	10	21,390,788	10	17,061,824
Revenue Finance Loans	15	13,262,388	10	10,185,473
Total	**25**	**$34,653,176**	**20**	**$27,247,297**

Loans receivable by geography

The Company advances loans in Canada and the United States of America. The following table presents a breakdown of the loan portfolio by geography, denominated in Canadian dollars.

	At August 30, 2021		**At November 30, 2020**	
	Number of Loans	Carrying Value	Number of Loans	Carrying Value
Canada	10	6,791,886	11	9,070,997
United States of America	15	27,861,290	9	18,176,300
Total	**25**	**$34,653,176**	**20**	**$27,247,297**

(Expressed in Canadian Dollars)

4. EQUITY INVESTMENTS

As at August 31, 2021 and November 30, 2020, the Company held the following equity investments:

Investees	Common Shares	Cost	August 31, 2021 Fair Value	November 30, 2020 Fair Value
Moj.io Inc.	427,998	$ 43	$ 462,300	$ 462,300
Lambda Solutions Inc.	185,000	46,538	77,700	77,700
CamDo Solutions Inc.	1,062,500	25,100	425,100	425,100
AvenueHQ	50,000	282,803	282,803	-
		$ 354,484	**$ 1,247,903**	**$ 965,100**

5. RIGHT-OF-USE ASSET AND LEASE LIABILITY

In May 2021, the Company's head office relocated and entered into a lease agreement for office space in Vancouver for a monthly lease payment of $6,721 with a term of three years. There is no extension contemplated in the lease agreement. Under IFRS 16, the Company recognizes lease liabilities measured at the present value of the remaining lease payments, discounted using the Company's incremental borrowing rates. The rate applied to the lease liabilities on May 1, 2021 was 8%. The right-of-use assets of $249,666 recognized during the period was measured at an amount equal to the recognized lease liabilities and comprises of a real estate premises. The details of the right-of-use assets and lease liabilities recognized as at August 31, 2021 are as follows:

Right-of-use asset

	August 31, 2021
Beginning balance	$ -
Present value of lease payments	249,666
Amortization	(26,281)
Ending balance	**$ 223,385**

Lease liability

	August 31, 2021
Beginning balance	$ -
Present value of lease payments	249,666
Accrued interest	6,668
Cash payments	(17,077)
Ending balance	**$ 239,257**

6. DEBENTURES

The Company has one series of debentures, Series E, issued and outstanding as of August 31, 2021. During fiscal 2018 and 2019 the Company issued Series E debentures for a total of $1,320,000 with warrants. This private placement which was priced at $100 per unit resulted in a total issuance of 13,200 debentures and 440,000 warrants. The debentures bear an interest rate of 12% per annum, payable quarterly in arrears, have a term of five years from November 30, 2018 and are secured against the assets of the Company. The warrants are exercisable for five years from November 30, 2018, at a price of $0.30 per share. A total commission of $28,700 and 95,666 broker warrants, exercisable at $0.30 with a two-year term, were paid as part of this transaction.

The Company has agreed not to allow any liens or charges to be registered against its assets as long as the Debentures are outstanding, except with the permission of more than 67% of the Debenture holders, except in certain limited circumstances and conditions.

As at August 31, 2021, $14,676 (2020: $54,903) of interest payable was outstanding and classified as current portion of debentures.

During the nine months ended August 31, 2021, all Series D debentures were redeemed. Debentures were fully redeemed, including all accrued interest, for cash or converted to preferred shares as part of the private placement.

7. CO-INVESTMENT OBLIGATIONS

The Company entered into co-investment agreements that provide non-dilutive capital in exchange for the ability for qualified investors to participate directly in the Company's portfolio of investments ("Co-investors"). Under this model, Co-investors enter into an agreement that entitles them to receive a fixed percentage of all cash flow derived from a specified portfolio of investments. The co-investment agreements will terminate upon the discharge of all of the obligations of the respective parties that make up the underlying loans receivable portfolio. The actual amounts paid and timing of payments under the co-investment agreements depend on the performance of the underlying loans receivable. In total, the Company has raised $4,850,000 using such arrangements. Total amounts owing at August 31, 2021 are recorded as Co-investment obligations on the statement of financial position.

8. FOREIGN CURRENCY FORWARD CONTRACT

On April 16, 2020, the Company entered into a forward contract to secure access to US funds for a fixed foreign exchange rate. The Company uses foreign currency forward contracts to manage risk related to variable foreign exchange rates. Under the forward contract, the Company agreed to sell US$2,500,000 for $3,493,750 on April 29, 2021. In March 2021, the maturity date was extended to August 31, 2021. In August 2021 the maturity date was extended to December 31, 2021 and the settlement amount revised to $3,460,000. Based on fluctuation in the USD exchange rate since the date of issuance of the facility through to August 31, 2021, a derivative asset has been recorded of $267,000 (November 30, 2020: $252,500) to account for the net amount under the agreement and was recognized as a gain (loss) on forward contract in the consolidated statements of net income (loss) and comprehensive income (loss).

9. REVOLVING CREDIT FACILITIES

On November 22, 2019, the Company secured a revolving credit facility (the "Credit Facility") from a lender. The amount that was available to be drawn under the Credit Facility was $7,500,000 with a maturity of November 22, 2020 ("Maturity Date"). Subsequently the maturity date was amended to October 31, 2021. The principal drawn on the Credit Facility will bear an interest rate equal to the greater of a) prime plus 5.7%, or b) 10.5%. Amounts drawn in excess of 50% of assets held by this facility is subject to an interest rate of 15%. The standby fee on the undrawn balance is equal to 1% of the undrawn principal amount of the facility is payable monthly. A minimum usage fee is due if at any time the principal amount outstanding under the facility falls below $3,500,000.

The Credit Facility contains both general and financial covenants which the Company is required to report on a regular basis and restrict the level of indebtedness as a ratio to current assets and require a minimum cash balance.

The balance outstanding under the Credit Facility is classified as amortized cost and accounted for using the effective interest rate method. On March 15, 2021 an additional amount of $1,975,000 was drawn on the facility. The carrying value as at August 31, 2021 $4,485,416 (November 30, 2021 $2,510,320). The Company is considering its options on maturity, including but not limited to repayment, extension or replacement with another facility.

10. SHARE CAPITAL

(a) Common shares:

An unlimited number of common voting shares are authorized without par value. As of August 31, 2021 TIMIA has 45,855,222 common shares issued and outstanding.

(b) Preferred shares:

As of August 31, 2021, TIMIA has 6,485,994 Series A Preferred Shares issued and outstanding.

On March 25, 2021 the Company closed a private placement of up to 1,000,000 Series A preferred shares at a price of $1.00 per preferred share for proceeds of up to $1,000,000. On April 14, 2021 the Company announced a further increase to $1,275,000. During the three months ended, 1,275,000 preferred shares were issued on the closing of this private placement and receipt of cash payments.

(c) Cash dividends:

On March 9, 2021 the Company's Board of Directors declared a quarterly dividend of $0.0211 per Series A Preferred share, in the aggregate amount of $109,952 paid on March 31, 2021 to shareholders on record at the start of business on March 15, 2021. On June 11, 2021 the Company's Board of Directors declared a quarterly dividend of $0.02 per Series A Preferred share, in the aggregate amount of $119,720 paid on June 30, 2021 to shareholders on record at the start of business on June 17, 2021.

(Expressed in Canadian Dollars)

10. SHARE CAPITAL (continued)

(d) Stock options:

The Company has adopted an incentive share option plan for granting options to directors, employees and consultants, under which the total outstanding options are limited to 5,500,000 Common Shares, being a number equal to 15.95% of the outstanding issue as of the date of shareholder approval of the plan. Under the plan, the exercise price of an option shall not be less than the discounted market price at the time of granting, or as permitted by the policies of TSX-V. Options granted may not exceed a term of five years from the grant date. The vesting period for all other options will be determined by the Board of Directors at the time of each grant.

	Number of Options		Weighted Average Exercise Price
Balance, November 30, 2019	**5,175,000**	**$**	**0.14**
Issued	1,255,000		0.18
Expired	(695,000)		0.17
Exercised	(1,660,000)		0.07
Balance, November 30, 2020	**4,075,000**	**$**	**0.18**
Issued	480,000		0.19
Balance, August 31, 2021	**4,555,000**	**$**	**0.18**

Additional information regarding stock options outstanding as at August 31, 2021 is as follows:

	Outstanding			Exercisable
Exercise Price	**Number of Options**	**Weighted Average Remaining Contractual Life (years)**	**Weighted Average Exercise Price**	**Number of Options**
0.14	1,080,000	0.69	0.14	1,080,000
0.17	745,000	1.69	0.17	745,000
0.18	75,000	2.46	0.18	75,000
0.19	480,000	4.39	0.19	98,192
0.22	920,000	2.70	0.22	826,849
0.20	605,000	3.52	0.20	297,804
0.17	600,000	3.80	0.17	600,000
0.17	50,000	3.81	0.17	19,817
	4,555,000	**2.50**	**0.18**	**3,742,662**

(Expressed in Canadian Dollars)

10. SHARE CAPITAL (continued)

(d) Stock options (continued):

Option-pricing requires the use of highly subjective estimates and assumptions including the expected stock price volatility. The expected volatility used in valuing stock options is based on volatility observed in historical periods. Changes in the underlying assumptions can materially affect the fair value estimates. The fair value of the options re-priced and granted to officers, directors, consultants, and employees was calculated using the Black-Scholes option pricing model with following weighted average assumptions and resulting grant date fair value:

	2021	**2020**
Weighted average assumptions:		
Risk-free interest rate	0.41%	0.39% - 0.59%
Expected dividend yield	-	-
Expected option life (years)	5	5
Expected stock price volatility	89%	101% - 104%
Weighted average fair value at grant date	$0.18	$0.17 - $0.20
Expected forfeiture rate	-	-

(e) *Normal Course Issuer Bid*

On February 24, 2021, the TSXV approved and the Company announced its intention to commence a normal course issuer bid (NCIB) to repurchase of the Company's common shares. Under the NCIB the Company may purchase for cancellation up to 3,313,699 common shares over a twelve month period ending February 28, 2022. Transactions were executed from time to time in the open market in accordance with the rules and policies of the TSXV. Purchase and payment for the shares made by the Company were made in accordance with the rules of the TSXV and the price that the Company paid for any shares acquired by it at the market price of the shares at the time of acquisition. The Company entered into a share purchase plan with a broker in order to facilitate the repurchase of its shares under the NCIB which covers the period from March 1, 2021 to February 28, 2022. Under the Plan, the Company's broker was able to repurchase common shares under the NCIB. Purchases were made by TIMIA's broker based upon the parameters prescribed by the TSX and the terms of the plan.

During the nine months ended August 31, 2021, the Company repurchased 1,046,000 shares under the 2021 NCIB for a total cost of $262,113. The excess amount of $128,351 paid for these shares, relative to their weighted average carrying amount of $133,762 was charged to retained earnings. All common shares repurchased by the Company have been cancelled. Subsequent to period end, the Company has repurchased for cancellation 38,000 shares for $11,449.

(Expressed in Canadian Dollars)

10. SHARE CAPITAL (continued)

(f) Warrants:

	Number of Warrants		Weighted Average Exercise Price
Balance, November 30, 2019	6,331,480	$	0.22
Issued	238,759		0.25
Exercised	(20,000)		0.25
Balance, November 30, 2020 and February 28, 2021	6,550,239	$	0.22
Exercised	(1,125,000)		0.20
Expired	(4,754,813)		0.21
Balance, Aug 31, 2021	670,426	$	0.28

Additional information regarding warrants outstanding and exercisable as at August 31, 2021 is as follows:

Exercise Price	Number of Warrants	Weighted Average Remaining Contractual Life (years)		Weighted Average Exercise Price
$0.30	258,333	2.25		0.30
0.30	173,334	2.50		0.30
0.25	238,759	0.24		0.25
	670,426	1.85	$	0.28

11. RELATED PARTY TRANSACTIONS AND EXECUTIVE COMPENSATION

The Company may have transactions in the normal course of business with individuals (as well as their family members or entities they control) who are related to the Company either as key management personnel or a member of the board of directors. Any such transactions are in the normal course of operations and are measured at market based on exchange amounts. The Company had the following related party transactions:

(a) Debentures of $150,000 (November 30, 2020: $1,107,500) are held by directors, officers, family members of directors and officers and a company controlled by a family member of a director and officer identified as key management personnel. As at August 31, 2021, there was $1,529 (November 30, 2020: $1,123,010) due to directors, officers, family members of directors and officers and a company controlled by a director.

(b) During the nine months ended August 31, 2021, $20,745 (August 31, 2020: $55,173) of interest from debentures was accrued or paid to certain directors, officers, family members of directors and officers and a company controlled by a director.

(c) Accounts payable of $17,586 (November 30, 2020: $24,053) was due to directors and/or officers identified as key management personnel as at August 31, 2021.

(d) Rent expense of $14,238 (August 31, 2020: $12,600) was accrued or paid during the nine months ended August 31, 2021 to a third party company controlled by the CFO.

(e) Investments by officers and directors, and their family members or companies controlled by them, for $6,592,320 of Limited Partner contributions as at August 31, 2021 and $5,731,418 at November 30, 2020.

The Company considers the Chief Executive Officer, Chief Financial Officer, Chief Credit Officer, and Directors as key management personnel. Key management compensation for the nine months ended August 31, 2021 and 2020 were as follows:

(a) Directors fees of $87,396 (August 31, 2020: $54,541) were accrued or paid during the nine months ended August 31, 2021.

(b) Management compensation of $240,000 (August 31, 2020: $395,271) was accrued or paid during the nine months ended August 31, 2021.

(c) Share-based payments expense of $79,612 (August 31, 2020: $92,228) were recorded for directors and certain officers identified as key management personnel for the nine months ended August 31, 2021.

(Expressed in Canadian Dollars)

12. NON-CONTROLLING INTEREST ("NCI")

The investments in TIMIA Capital LP's by those other than TIMIA Capital Corp are presented in non-controlling interests in the statement of financial position. Details of the change in non-controlling interest for the year were as follows:

		TIMIA Capital I LP 87.79%		TIMIA Capital II LP 94.98%		Gross limited partners' interests
NCI Balance, November 30, 2020	$	9,031,885	$	17,762,911	$	26,794,796
Contributions		-		7,375,973		7,375,973
Distributions paid to limited partners		(2,974,418)		(1,195,679)		(4,170,097)
Net income (loss) attributable to NCI		658,197		1,196,335		1,854,532
Other comprehensive income (loss) attributable to NCI		-		(543,936)		(543,936)
NCI Balance, August 31, 2021	**$**	**6,715,664**	**$**	**24,595,604**	**$**	**31,311,268**

		TIMIA Capital I LP 87.79%		TIMIA Capital II LP 92.62%		Gross limited partners' interests
NCI Balance, November 30, 2019	$	11,609,956	$	-	$	11,609,956
Contributions by limited partners		3,070,000		8,530,426		11,600,426
Distributions paid to limited partners		(2,647,969)		(41,966)		(2,689,935)
Net income (loss) attributable to NCI		1,656,305		(346,705)		1,309,600
NCI Balance, August 31, 2020	**$**	**13,688,292**	**$**	**8,141,755**	**$**	**21,830,047**

Summarized Financial information
Statements of financial position as at August 31, 2021:

		TIMIA Capital I LP 87.61%		TIMIA Capital II LP 94.98%
Total current assets	$	2,794,930	$	12,314,139
Total non-current assets		5,720,283		13,854,442
Total Assets		**8,515,213**		**26,168,581**
Total liabilities		139,871		241,940
Partners' equity		8,375,342		27,062,746
Translation adjustment		-		(1,136,105)
Total liabilities & Partners' equity	**$**	**8,515,213**		**26,168,581**

(Expressed in Canadian Dollars)

12. NON-CONTROLLING INTEREST ("NCI") (continued)

Statements of net income and comprehensive net income for the nine months ended August 31, 2021:

		TIMIA Capital LP I		TIMIA Capital LP II
Total revenue	$	1,608,994	$	1,642,723
Total expense and other income		638,842		340,589
Total net income and comprehensive income	**$**	**970,152**	**$**	**1,302,134**

TIMIA Capital LP I
Since inception the Company completed financings for a total of $18,420,000 ("Committed Capital") financing in its first Limited Partnership ("LP I"). In addition to holding units in LP I, TIMIA is entitled to receive a management fee of 1.5% of Committed Capital for the first six years and 0.75% thereafter. In addition, LP I reimburses TIMIA for operating expenses incurred on its behalf.

TIMIA Capital LP II
Since inception of LP II, the Company closed financings of $26,035,180 (US$20,635,000) The Company is invested in LP II and is entitled to receive a management fee of 1.5% of Invested Capital and a performance fee based upon the profit of LP II for the life of the fund. In addition, LP II reimburses TIMIA for operating expenses incurred on its behalf.

13. FINANCIAL INSTRUMENTS AND RISK

Financial instruments

The following table summarizes information regarding the carrying values and classification of the Company's financial instruments as of the periods ended August 31, 2021 and November 30, 2020:

	August 31, 2021	November 30, 2020
Cash	$ 8,927,987	$ 12,872,769
Accounts receivable - Amortized cost	547,315	413,239
Loans receivable - Amortized cost	34,649,807	27,247,297
Equity investments - FVTPL	1,247,903	965,100
Forward contract receivable - FVTPL	267,000	252,500
Accounts payable - Amortized cost	267,928	300,967
Revolving credit facilities - Amortized cost	4,485,416	2,510,320
Debentures - Amortized cost	1,210,221	4,134,400
Co-investment obligations - Amortized cost	257,433	279,350

13. FINANCIAL INSTRUMENTS AND RISK (continued)
Financial instruments (continued)

The estimated fair values of cash and accounts payable approximate their respective carrying values due to their nature and short terms to maturity. Equity investments and forward contract receivable are carried at their fair value. Loans receivable, accounts receivable, co-investment obligations, revolving credit facility and debentures are carried at amortized cost.

The fair value measurements use a fair value hierarchy that reflects the significance of the inputs used in making the measurements. The fair value hierarchy has the following levels:

(a) Quoted prices (unadjusted) in active markets for identical assets or liabilities (Level 1);
(b) Inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (that is, as prices) or indirectly (that is, derived from prices) (Level 2); and
(c) Inputs for the asset or liability that are not based on observable market data (that is, unobservable inputs) (Level 3).

The level in the fair value hierarchy within which the fair value measurement is categorized in its entirety is determined on the basis of the lowest level input that is significant to the fair value measurement in its entirety. For this purpose, the significance of an input is assessed against the fair value measurement in its entirety. If a fair value measurement uses observable inputs that require significant adjustment based on unobservable inputs, that measurement is a Level 3 measurement. Assessing the significance of a particular input to the fair value measurement in its entirety requires judgment, considering factors specific to the asset or liability.

The following table presents the Company's financial instruments, measured at fair value on the consolidated statements of net assets and categorized into levels of the fair value hierarchy:

	Balance at August 31, 2021	**Quoted Prices in Active Markets for Identical Assets (Level 1)**	**Significant Other Observable Inputs (Level 2)**	**Significant Unobservable Inputs (Level 3)**
Cash	8,927,987	8,927,987	-	-
Forward contract receivable	267,000	-	267,000	-
Equity investments	1,247,903	-	1,247,903	-

(Expressed in Canadian Dollars)

13. FINANCIAL INSTRUMENTS AND RISK (continued)
FInancial Instruments (continued)

The investment operations of the Company's business involve the purchase and sale of securities, and accordingly, a portion of the Company's assets are currently comprised of financial instruments. The use of financial instruments can expose the Company to several risks, a discussion of which is provided below.

There were no transfers from Level 1 to 2 or Level 2 to 1 during the period.

Liquidity risk

Liquidity risk is the risk that the Company will not be able to meet its financial obligations as they fall due. The Company maintains sufficient cash balances to meet current working capital requirements. The Company is dependent on obtaining regular financings in order to continue as a going concern. Despite previous success in acquiring these financings, there is no guarantee of obtaining future financings. The Company's cash consists of cash deposited in business accounts held by high credit quality financial institutions. The Company is not invested in any asset backed commercial paper.

	Carrying amount	Contractual cash flows	Within 1 year	Within 2 years	Within 5 years
	$	$	$	$	$
Accounts payable	267,928	267,928	267,928	-	-
Revolving credit facility	4,485,416	4,485,416	4,485,416		-
Debentures	1,210,221	1,210,221	14,676	1,195,545	-
Co-investment obligations	257,433	257,433	54,901	-	202,532
Total	**6,220,998**	**6,220,998**	**4,822,921**	**1,195,545**	**202,532**

Foreign exchange risk
The Company's foreign exchange risk is due to the Company's twelve loan investments totaling US$22,300,034 which are currently valued at $27,861,290. In addition, the Company has entered into a forward contract which commits the Company to buy US$2,500,000 at a fixed exchange rate. Changes in the foreign exchange rate could impact the gain (loss) realized on this contract.

During 2020, the Company also completed a close in a second Limited Partnership ("LP II") which has a functional currency of US dollars. Changes in US and Canadian dollar exchange rates will give rise to foreign currency translation adjustments that may have a material impact on the other comprehensive income recognized by the Company.

Interest rate risk
The Company's exposure to interest rate risk arises from the interest rate impact on its cash. The Company's practice has been to invest cash at floating rates of interest in order to maintain liquidity, while achieving a satisfactory return for shareholders. A 10% change in the interest rate would not result in a material impact on the Company's operations.

13. FINANCIAL INSTRUMENTS AND RISK (continued)
Financial instruments (continued)

Market risk

Market risk is the risk that the fair value of, or future cash flows from the Company's financial instruments will significantly fluctuate due to changes in market prices. The value of financial instruments can be affected by changes in interest rates, foreign exchange rates, and equity prices. The Company is exposed to market risk in trading its investments and unfavourable market conditions could result in dispositions of investments at less than favourable prices. Additionally, the Company adjusts its investments to fair value at the end of each reporting period. This process could result in significant write-downs of the Company's investments over one or more reporting periods, particularly during periods of overall market instability, which could have a significant unfavourable effect on the Company's financial position.

The Company manages market risk by having a portfolio of investments not singularly exposed to any one issuer; however, its investment activities are currently concentrated primarily in the technology and energy sectors. The Company also manages its market risk by reviewing commodity prices, individual equity movements, and the stock market to determine the appropriate course of action to be taken by the Company.

Credit risk

Credit risk is the risk of potential loss to the Company if the counterparty to a financial instrument fails to meet its contractual obligations. The Company's credit risk is primarily attributable to its cash and loan receivables. The Company limits exposure to credit risk by maintaining its cash with financial institutions. Deposits held with these institutions may exceed the amount of insurance provided on such deposits. The Company's maximum exposure to credit risk at the reporting date is the carrying value of cash and loan receivable.

Credit risk measurement

In monitoring credit risk, the Company performs ongoing credit evaluations of its investees' financial condition. The evaluation considers delinquency trends, sales volumes and the investee's ability to maintain its financial condition. In accordance with IFRS 9, the Company calculates an expected credit loss as outlined below.

Expected credit loss measurement

IFRS 9 outlines a 'three-stage' model for impairment based on changes in credit quality since initial recognition as summarized below:

- A financial instrument that is not credit-impaired on initial recognition is classified in 'Stage 1' and has its credit risk continuously monitored by the Company.
- If a significant increase in credit risk ('SICR') since initial recognition is identified, the financial instrument is moved to 'Stage 2' but is not yet deemed to be credit-impaired.
- If the financial instrument is credit-impaired, the financial instrument is then moved to 'Stage 3'.

(Expressed in Canadian Dollars)

13. FINANCIAL INSTRUMENTS AND RISK (continued)
Financial instruments (continued)
Credit risk (continued)

- Financial instruments in Stage 1 have their ECL measured at an amount equal to the portion of lifetime expected credit losses that result from default events possible within the next 12 months. Instruments in Stages 2 or 3 have their ECL measured based on expected credit losses on a lifetime basis.

The following diagram summarizes the impairment requirements under IFRS 9:

Change in credit quality since initial recognition

Stage 1	Stage 2	Stage 3
Initial recognition	Significant increase in credit risk	Credit-impaired Assets
12-month expected credit losses	Lifetime expected credit losses	Lifetime expected credit losses

The Company assigns each loan in the portfolio to a credit quality stage of Stage 1, Stage 2 or Stage 3. This credit quality staging is then used to calculate the lifetime ECL. The lifetime ECL is the maximum loss in default adjusted for the probability of loss. At each reporting period, the ECL is calculated for each loan receivable. The Company periodically reviews the ECL model to determine if industry trends or macro-economic factors have changed, causing a need to adjust the ECL model. The expected credit loss recovery recorded in the statement of net income (loss) and comprehensive income (loss) is $3,713 for the nine months ended August 31, 2021 and the expected credit loss accrued on the consolidated statement of financial position is $361,181 as at August 31, 2021.

Significant increase in credit risk (SICR)

The Company considers a financial instrument to have experienced a SICR when one or more of the following quantitative or qualitative criteria have been met:

- The investment is more than 30 days but less than 90 days in arrears on its contractual payment obligations;
- The Company's management believes the cash resources available to the investment may not be sufficient to meet ongoing needs; or
- The investment has significantly underperformed with respect to revenue growth and expense control.

An investment is considered to be in stage 3 if:
- The investment is 90 days past due on contractual payments;
- The investment is in long term forbearance;
- The investment is insolvent; or
- The investment is in material breach of financial covenants.

13. FINANCIAL INSTRUMENTS AND RISK (continued)
Financial instruments (continued)
Credit risk (continued)

Expected credit loss model

The Company determines the lifetime expected credit loss to be the maximum loss in a default adjusted for the probability of loss. At each reporting period, the ECL is calculated for each loan receivable. The maximum default loss is a function of the relative exposure of the Company to a particular investment. The Company assesses this as a ratio of the enterprise value of the underlying entity to the amortized loan balance. Based on this ratio, the Company assigns the loan receivable to a maximum default loss band. Each band has a loss percentage based on historic experience.

The probability of default represents the likelihood that the borrower defaults on its financial obligation. As such it is dependent on the stage of the investment at the measurement date. An investment in stage 3 is in default by definition so the likelihood of default is 100%. Stage 1 and stage 2 credits are assigned default probabilities based on historic experience and an assessment of forward looking macro-economic trends. If Company management determines that a segment of the portfolio is facing macro-economic trends that differ from other investments in the portfolio, the probability of default will be adjusted accordingly for that segment.

The Company reviews the stage of each loan receivable and recalculates the ECL every reporting period. Changes to the ECL are recognized on the Statement of Income (Loss) and Comprehensive Income or Loss in the period of the change.

Credit risk exposure
The Company's credit risk exposure by ECL staging is included in a table in Note 3 Loans receivable.

14. MANAGEMENT OF CAPITAL

The Company's objectives when managing capital are to identify and to invest in investments with strong cash-flow and long-term growth potential, to maintain financial strength, to protect its ability to meet its ongoing liabilities, to continue as a going concern, to maintain creditworthiness and to maximize returns for shareholders over the long-term. The Company is subject to certain restrictions on its assets as described in Notes 6 and 9. The Company does not have any other externally imposed capital requirements to which it is subject. The capital of the Company comprises shareholders' equity, private placements through Limited Partnership funds, debentures and co-investment obligations.

The Company manages and adjusts the capital structure in light of changes in economic conditions and the risk characteristics of the underlying assets. To maintain or adjust the capital structure, the Company may attempt to issue new shares or dispose of assets.

The Company's investment policy is to invest in software companies that have strong revenue growth and gross margins. Management looks to invest in assets that will create routine monthly cash-flow, as well as periodic gains when the investments are sold or achieve an initial public offering. If the Company does not receive sufficient cash flows from its activities, it may have to undertake a private placement to cover its cash outflows.

15. SUBSEQUENT EVENTS

On September 3, 2021, the Company's board of directors declared a quarterly cash dividend of $0.02 per Series A Preferred Shares, payable on September 30, 2021, to Series A preferred shareholders of record as at September 14, 2021.

On September 1, 2021, the Company disbursed $1,260,700 ($1,000,000 USD) to a US based software company on an investment facility for $1,891,050 ($1,500,000 USD).

On September 14, 2021, the Company disbursed $633,050 ($500,000 USD) as a second disbursement to a US based software company. The total facility of $1,892,550 ($1,500,000 USD) is now fully drawn.

On September 21, 2021, the Company closed a series of agreements to acquire the business of Pivot Financial (Pivot), a Canadian-based private lender focused on creative financing solutions for the small and medium business market. The purchase price of $6,000,000 comprised of issuance of 5,000,000 common shares, issuance of 1,500,000 series A preferred shares and $1,000,000 cash. Concurrent with the closing of this transaction, the Company completed a private placement of 1,666,667 common shares and $500,000 of preferred shares. In addition, 250,000 stock options were issued to members of the Pivot management team joining the Company. The Company anticipates using proceeds of the transaction for general corporate purposes. The acquisition will enhance the Company's portfolio of loans and service offerings.